receiving subscription type information which includes at least two of a per-request payment cap, a fixed payment amount, a limit on payment per time period, a limit on the number of payments in the time period, and a time period;

receiving pay-out instructions that include at least two of a payor identifier, a payee identifier, a transfer amount, a payment description; and

transferring the transfer amount from the stored value fund to the payee automatically.

2.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the second-listed transferring step comprises transferring the transfer amount to a second stored value fund associated with the payee.

3.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the second-listed transferring step does not require any human interaction to fulfill the pay-out instructions.

4.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the second-listed transferring step comprises transferring the transfer amount to a second handler associated with the payee.

5.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 4, wherein the second handler includes at least one of a bank, a credit card company, a debit card company, an agent location, a stored value fund, and an airline mileage program, a gift certificate issuer, an electronic gift certificate issuer, and a money order issuer.

6.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the handler includes at least one of a bank, a credit card company, a debit card company, an agent location, a stored value fund, and an airline mileage program.

7.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, further comprising a steps of:

sending notification to the payor after receiving the pay-out instructions;

waiting a period of time between the sending step and the second-listed transferring step;

canceling the second-listed transferring step if the payor declines within the period of time.

8.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the transfer amount corresponds to at least one of: currency, monetary value, airline mileage, promotional program points, gift certificate credit, and commodities.

9.   (As Filed)   The method for automatically processing the recurring transfer request from the stored value fund with the online system as recited in claim 1, wherein the payor, the handler and the payee are remotely located with respect to each other.

10.   (As Filed)   A computer-readable medium having computer-executable instructions for performing the computer-implementable method for automatically processing the recurring transfer request from the stored value fund with the online system of claim 1.

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11.   (Amended)   A method for automatically processing a transfer request from a stored value fund with an online system, the method comprising:

determining a handler associated with a payor;

transferring money from the handler to the stored value fund;

informing the payor that a payee accepts payment from the online system;

receiving subscription type information which includes at least one of a per-request payment cap, a fixed payment amount, a limit on payment per time period, a limit on the number of payments in the time period, and a time period;

receiving pay-out instructions that include at least two of a payor identifier, a payee identifier, a transfer amount, a payment description; and

transferring the transfer amount from the stored value fund to a second handler associated with the payee automatically.

12.   (As Filed)   The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 11, wherein the second-listed transferring step does not require any human interaction to fulfill the pay-out instructions.

13.   (As Filed)   The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 11, wherein the second handler includes at least one of a bank, a credit card company, a debit card company, an agent location, a stored value fund, and an airline mileage program, a gift certificate issuer, an electronic gift certificate issuer, and a money order issuer.

14.   (As Filed)   The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 11, wherein the handler includes at least one of a bank, a credit card company, a debit card company, an agent location, a stored value fund, and an airline mileage program.

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15. (As Filed) The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 11, further comprising a steps of:

sending notification to the payor after receiving the pay-out instructions;

waiting a period of time between the sending step and the second-listed transferring step;

canceling the second-listed transferring step if the payor declines within the period of time.

16. (As Filed) A computer-readable medium having computer-executable instructions for performing the computer-implementable method for automatically processing the transfer request from the stored value fund with the online system of claim 11.

17. (As Filed) A method for automatically processing a transfer request from a stored value fund with an online system, the method comprising:

determining a handler associated with a payor;

transferring money from the handler to the stored value fund;

informing the payor that a payee accepts payment from the online system;

receiving subscription type information which includes at least one of a per-request payment cap, a fixed payment amount, a limit on payment per time period, a limit on the number of payments in the time period, and a time period;

receiving pay-out instructions that include at least two of a payor identifier, a payee identifier, a transfer amount, a payment description;

sending notification to the payor after receiving the pay-out instructions;

waiting a period of time between the sending step and the second-listed transferring step;

transferring the transfer amount from the stored value fund to the payee; and

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canceling the second-listed transferring step if the payor declines within the period of time.

18.   (As Filed)   The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 17, wherein the second-listed transferring step does not require any human interaction to fulfill the pay-out instructions.

19.   (As Filed)   The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 17, wherein the second-listed transferring step comprises transferring the transfer amount to a second handler associated with the payee.

20.   (As Filed)   A computer-readable medium having computer-executable instructions for performing the computer-implementable method for automatically processing the transfer request from the stored value fund with the online system of claim 17.

21.   (New) The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 17, wherein the second-listed transferring step comprises a step of transferring the transfer amount in a plurality of transfers.

22.   (New) The method for automatically processing the transfer request from the stored value fund with the online system as recited in claim 17, further comprising a step of checking the pay-out instructions against the subscription type information.

REMARKS

Attached hereto is a marked-up version of the changes made to the specification and claims by the current amendment. The attached page is captioned

"Version with marking to show changes made." Claim 11 has been amended for reasons not related to any statutory problem, namely, to correct a typographical error. New claims 21-22 are added. Therefore, claims 1-22 are present for examination.

35 U.S.C. §103 Rejection, Watkins & Hass et al.

The Examiner has rejected claims 1-20 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,347,305 to Watkins in view of U.S. Patent No. 6,438,586 to Hass et al. Applicants believe a *prima facie* case of obviousness has not been properly set forth in the final Office Action with regard to a rejection of claims 1-22. The Examiner is charged with putting forth a *prima facie* showing of obviousness. The basic test is excerpted below:

> "To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations." See MPEP, Original Eighth Edition, August 2001, §2143.

Applicants believe the rejection has flaws with all three prongs of the above test for establishing a *prima facie* case of obviousness.

Teachings Missing from Cited References

With regard to the third prong of the test, Applicants believe the cited sections of Watkins ("Watkins") and the cited sections of Hass et al. ("Hass") do not, either alone or in combination, teach or suggest the invention in the claims. More specifically, neither Watkins nor Hass teaches or suggests: (1) transfer of money from the handler to a stored value fund and transfer from the stored value fund to the payee as generally required by claims 1, 11, and 17; and (2) waiting a period of time before the

transfer and canceling the transfer if the payor declines in that period of time as required
by claim 17. For least these reasons, Applicants respectfully request for reconsideration
of the rejection to the claims.

Summary of Cited References

Watkins addresses allowing payroll deductions to finance purchases.
According to a payday schedule, money is deducted from a payor's paycheck.
Deductions in this manner are not transfers. The amount in the paycheck is merely
reduced. Presumably, at some point, the merchant/payee is paid for the goods
corresponding to the deductions, but it is not clear from Watkins how this is handled.

Hass relates to a method for communication between a plurality of
processors. Files are transferred to effectuate this communication. These files appear
unrelated to the transfer of money.

First Missing Limitation: Two Transfers

Claims 1, 11 and 17 generally requires two transfers. One to from a
handler to a stored value account and another from the stored value account to the payee.
Watkins is apparently cited in the Office Action for the first transfer and Hass is
apparently cited for the second transfer. Applicants believe the file transfer of Hass does
not in fact effectuate the transfer of money as is required by the claims.

Second Missing Limitation: Veto Period

Claim 17 waits a period of time to allow the payor to decline the transfer.
Watkins requires acceptance of a complete payroll deduction plan before the plan is
released from a holding file and executed (col. 7, l. 22-26) such that failure to act kills the
deduction program. Alternatively, claim 17 would execute the transfer where there is a
failure to act. Accordingly, Watkins does not teach these steps.

Motivation to Combine Watkins & Hass

The first prong of the test requires, a suggestion or motivation to combine
references to avoid hindsight reconstruction of the claimed invention based upon the
information disclosed in the present application. The last sentence of section 4 of the

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Office Action appears to address the motivation to combine Watkins and Hass, but the
Applicants cannot discern the nature of this argument. The following excerpt is apt in the
present case:

> "In the instant application, the examiner has done little
> more than cite references to show that one or more elements or
> subcombinations thereof, when each is viewed in a vacuum, is known.
> The claimed invention, however, is clearly directed to a combination of
> elements. That is to say, appellant does not claim that he has invented one
> or more new elements but has presented claims to a new combination of
> elements. To support the conclusion that the claimed combination is
> directed to obvious subject matter, either the references must expressly or
> impliedly suggest the claimed combination or the examiner must present a
> convincing line of reasoning as to why the artisan would have found the
> claimed invention to have been obvious in light of the teachings of the
> references." Ex parte Clapp, 227 USPQ 972, 973 (B.P.A.I. 1985)

It is not clear how communication between processes taught in Hass
would have any applicability to recurring money transfers. Any general motivation in
Hass does not address the specific combination of elements from Hass and Watkins. It is
not clear how the cited portion in the summary section of Hass would provide any
motivation for one of ordinary skill in the art to combine these references.

Hass is non-analogous art and not directed to the particular problem for
which the invention is concerned. The following excerpt is quoted and explained in
MPEP, Original Eighth Edition, August 2001, § 2141.01(a):

> "In order to rely on a reference as a basis for rejection of an
> applicant's invention, the reference must either be in the field of the
> applicant's endeavor or, if not, then be reasonably pertinent to the
> particular problem with which the inventor was concerned." *In re Oetiker*,
> 24 USPQ2d 1443, 1445 (Fed. Cir. 1992)

Applicants believe Hass is non-analogous art and has nothing to do with
the problems solved by the invention. Hass relates transferring information between
processes running on different host processors. *Hass*, col. 1, l. 6-9. There is no
contemplation in Hass of money transfers, let alone recurring money transfers. It would
not occur to one of ordinary skill in art to even look to Hass for any teachings relating to
money transfers.

The only way this combination of Watkins and Hass makes any sense is to
use the Applicant's claims as a template, which is impermissible hindsight reconstruction.

Reasonable Likelihood of Success in Combining Watkins & Hass

The second prong of the test requires a reasonable likelihood of success.
Combining the payroll deduction of Watkins with the process communication of Hass is
confusing to explain, at best, and requires major modifications to each reference. Money
transfer systems are very different from mere file transfer systems. Such major
modifications would have little likelihood of success. How would one of ordinary skill in
the art hope to combine these references with any likelihood of success?
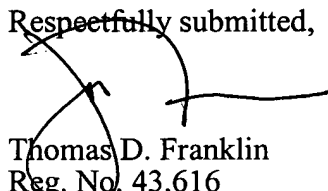
35 U.S.C. §101 Rejection

Claims 10 and 20 are rejected under 35 U.S.C. §101 as unpatentable as
they allegedly lack utility and fail to describe a concrete, useful and tangible output.
These claims are dependent computer program product claims that perform the steps of
their respective parent claim. The concrete, useful and tangible output includes the
transfer of value between parties. "The Commissioner now states 'that computer
programs embodied in a tangible medium, such as floppy diskettes, are patentable subject
matter under 35 U.S.C. Section 101 and must be examined under 35 U.S.C. Sections 102
and 103.'" *In re Beauregard*, 35 USPQ2d 1383, 1384 (CAFC 1995). Accordingly,
Applicants respectfully request the rejection of Claims 10 and 20 be reconsidered.

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CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is urged. Reconsideration of the rejections is respectfully requested. If the Examiner believes a telephone conference would aid in the prosecution of this case in any way, please call the undersigned at 303-571-4000.

Respectfully submitted,

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